## AMENDED IN ASSEMBLY JUNE 1, 2015 AMENDED IN ASSEMBLY APRIL 14, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

## ASSEMBLY BILL

No. 1124

## **Introduced by Assembly Member Perea**

February 27, 2015

An act to add Sections 5307.28 and 5307.29 to the Labor Code, relating to workers' compensation.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1124, as amended, Perea. Workers' compensation: prescription medication formulary.

Existing law establishes a workers' compensation system, administered by the Administrative Director of the Division of Workers' Compensation, to compensate an employee for injuries sustained in the course of employment. The administrative director is authorized to adopt, amend, or repeal, after public hearings, any rules and regulations that are reasonably necessary to enforce the state workers' compensation provisions, except when that power is specifically reserved to the Workers' Compensation Appeals Board.

This bill would require the administrative director to, on or before January 1, 2017, establish a formulary for medications prescribed in the workers' compensation system to be effective commencing January July 1, 2017. The bill would require the administrative director to convene a Workers' Compensation Formulary Advisory Committee to assist in the development of the formulary, and would require the committee to study and make recommendations recommendations, as

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*specified*, on the development of a workers' compensation formulary in California.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 5307.28 is added to the Labor Code, to 2 read:
- 5307.28. On or before January 1, 2017, the administrative director shall establish a formulary for medications prescribed in the workers' compensation system to be effective commencing January July 1, 2017.
- SEC. 2. Section 5307.29 is added to the Labor Code, to read: 5307.29. (a) The administrative director shall convene a Workers' Compensation Formulary Advisory Committee to assist in the development of a formulary pursuant to Section 5307.28. The committee shall be composed of members appointed by the
- director and shall include, but not be limited to, health care providers, insurers, employers, *pharmacists*, and injured worker representatives.
  - (b) The committee shall study and make recommendations on the development of a workers' compensation formulary in California.
  - (c) The committee shall convene on a quarterly basis and provide its recommendations to the administrative director on or before December 31, 2016.
- 21 (d) The recommendations developed pursuant to subdivision 22 (c) shall ensure all of the following:
  - (1) Injured worker access to appropriate opioids, other pain management prescriptions, and off-label prescription drugs, when medically necessary.
  - (2) A gradual detoxification plan for a worker receiving potentially addictive prescription drug treatment.
- 28 (3) Timely formulary updates that minimize delays involved in adding new drugs to the formulary.